



Interim Union Budget 2024-25 Complete Highlights

1. Interim Union Budget 2024-25 - Minister for Finance and Corporate Affairs Nirmala Sitharaman Presented Interim Union Budget 2024-25 in Parliament (as 2024 is a general elections year), as her 6th Union Budget.

1. Notably -

- Nirmala Sitharaman is 2nd Finance Minister to present 6 union Budgets in a row (5 annual Budgets and 1 interim), after former PM Morarji Desai.
- Interim budget will provide funding for the government for a part of the financial year until the main budget is passed after the general elections.

2. Highlights -

1. **Key Points** -

- Expenditure - Govt is estimated to spend 47,65,768 crores in 2024-25, increase of 6% over revised estimate of 2023-24. Revenue expenditure will grow at 3.2% and capital expenditure at 16.9%.
- Receipts - Govt will receive 30,80,274 crores, 11.8% higher than revised estimates of 2023-24. Gap between receipts and expenditure will be met by borrowings, budgeted to be 16,85,494 crores, 2.8% lower than revised estimate of 2023-24.
- Transfer to states - Govt will transfer 22,74,541 crores to states/UTs in 2024-25, increase of 8.4% over revised estimates of 2023-24. Transfer to states includes devolution of 12,19,783 crores out of divisible pool of central taxes, grants worth 8,90,858 crores, and special loans worth 1,30,000 crores for capital expenditure.
- Deficits - Revenue deficit is targeted at 2% of GDP, lower than the 2.9% budgeted in 2023-24. Fiscal deficit is targeted at 5.1% of GDP in 2024-25, lower than the revised estimates for 2023-24 (5.9% of GDP).
- GDP growth estimate - Nominal GDP is estimated to grow at a rate of 10.5% in 2024-25 (real growth plus inflation).

2. **Expenditure & Receipts Summary** (in crores) -

	Actuals 2022-23	Budgeted 2023-24	Revised 2023-24	Budgeted 2024-25	% change (2023-24 RE to 2024-25 BE)
Revenue Expenditure	34,53,132	35,02,136	35,40,239	36,54,657	3.2%
Capital Expenditure	7,40,025	10,00,961	9,50,246	11,11,111	16.9%
<i>of which:</i>					
Capital Outlay	6,24,757	8,37,127	8,07,053	9,39,584	16.4%
Loans and Advances	1,15,268	1,63,834	1,43,194	1,71,527	19.8%
Total Expenditure	41,93,157	45,03,097	44,90,486	47,65,768	6.1%
Revenue Receipts	23,83,206	26,32,281	26,99,713	30,01,275	11.2%
Capital Receipts	72,196	84,000	56,000	79,000	41.1%
<i>of which:</i>					
Recoveries of Loans	26,161	23,000	26,000	29,000	11.5%
Other receipts (including disinvestments)	46,035	61,000	30,000	50,000	

Total Receipts (excluding borrowings)	24,55,402	27,16,281	27,55,713	30,80,274	11.8%
Revenue Deficit - (Revenue Expenditure - Revenue Receipts)	10,69,926	8,69,855	8,40,527	6,53,383	-22.3%
% of GDP	3.9%	2.9%	2.8%	2.0%	
Fiscal Deficit- (Total Expenditure - Total Receipts)	17,37,755	17,86,816	17,34,773	16,85,494	-2.8%
% of GDP	6.4%	5.9%	5.8%	5.1%	
Primary Deficit- (Fiscal Deficit - Interest Payments)	8,09,238	7,06,845	6,79,346	4,95,054	-27.1%
% of GDP	3.0%	2.3%	2.3%	1.5%	

3. Breakups -

▪ Expenditure -

	Actuals 2022-23	Budgeted 2023-24	Revised 2023-24	Budgeted 2024-25	% change (2023-24 RE to 2024-25 BE)
Central Expenditure	32,65,163	35,13,761	35,57,231	37,81,347	6.3%
Establishment Expenditure of Centre	7,14,650	7,44,339	7,81,774	7,68,221	-1.7%
Central Sector Schemes	14,45,958	14,67,880	14,46,152	14,94,296	3.3%
Other expenditure	11,04,555	13,01,542	13,29,304	15,18,830	14.3%
<i>of which interest payments</i>	<i>9,28,517</i>	<i>10,79,971</i>	<i>10,55,427</i>	<i>11,90,440</i>	<i>12.8%</i>
Grants for CSS and other transfers	9,27,995	9,89,337	9,33,254	9,84,422	5.5%
Centrally Sponsored Schemes (CSS)	4,37,556	4,76,105	4,60,614	5,01,788	8.9%
Finance Commission Grants	1,72,760	1,65,480	1,40,429	1,32,378	-5.7%
<i>of which:</i>					
<i>Rural Local Bodies</i>	<i>45,578</i>	<i>47,018</i>	<i>40,778</i>	<i>49,800</i>	<i>22.1%</i>
<i>Urban Local Bodies</i>	<i>17,779</i>	<i>24,222</i>	<i>19,222</i>	<i>25,653</i>	<i>33.5%</i>
<i>Disaster Management Grants</i>	<i>19,893</i>	<i>24,466</i>	<i>24,466</i>	<i>25,688</i>	<i>5.0%</i>
<i>Post Devolution Revenue Deficit Grants</i>	<i>86,201</i>	<i>51,673</i>	<i>51,673</i>	<i>24,483</i>	<i>-52.6%</i>
Other grants, loans and transfers	3,17,679	3,47,752	3,32,211	3,50,255	5.4%
Total Expenditure	41,93,157	45,03,097	44,90,486	47,65,768	6.1%

▪ Notably -

- Govt has estimated to spend 2,39,612 crores on pension in 2024-25, which is 0.7% higher than the revised estimate of 2023-24.
- Expenditure on interest payments in 2024-25 is estimated to be 11,90,440 crores, an increase of 12.8% as compared to revised estimates of 2023-24. Interest payments is 25% of government's total expenditure.

▪ Receipts -

	Actuals 2022-23	Budgeted 2023-24	Revised 2023-24	Budgeted 2024-25	% change (2023-24 RE to 2024-25 BE)
A. Gross Tax Revenue	30,54,192	33,60,858	34,37,211	38,30,796	11.5%

<i>of which</i>					
Corporation Tax (Direct Tax)	8,25,834	9,22,675	9,22,675	10,42,830	13.0%
Taxes on Income (Direct Tax)	8,33,260	9,00,575	10,22,325	11,56,000	13.1%
Goods and Services Tax (Indirect Tax)	8,49,133	9,56,600	9,56,600	10,67,650	11.6%
Customs (Indirect Tax)	2,13,372	2,33,100	2,18,680	2,31,310	5.8%
Union Excise Duties (Indirect Tax)	3,19,000	3,39,000	3,03,600	3,18,780	5.0%
Service Tax (Indirect Tax)	431	500	500	100	-80.0%
B. Devolution to States	9,48,407	10,21,448	11,04,493	12,19,783	10.4%
C. Centre's Net Tax Revenue	20,97,786	23,30,631	23,23,918	26,01,574	11.9%
D. Non-Tax Revenue	2,85,421	3,01,650	3,75,795	3,99,701	6.4%
<i>of which:</i>					
Interest Receipts	27,852	24,820	31,778	33,107	4.2%
Dividend	99,913	91,000	1,54,407	1,50,000	-2.9%
Other Non-Tax Revenue	1,53,577	1,81,382	1,85,642	2,12,640	14.5%
E. Capital Receipts (without borrowings)	72,196	84,000	56,000	79,000	41.1%
<i>of which:</i>					
Disinvestment	46,035	61,000	30,000	50,000	66.7%
Receipts (without borrowings) (C+D+E)	24,55,403	27,16,281	27,55,713	30,80,275	11.8%
Borrowings	17,37,755	17,86,816	17,34,773	16,85,494	-2.8%
Total Receipts (including borrowings)	41,93,158	45,03,097	44,90,486	47,65,769	6.1%

4. Notable Points -

▪ Expenditure -

1. Ministeries (Sorted expenditure wise) -

	Actuals 2022-23	Budgeted 2023-24	Revised 2023-24	Budgeted 2024-25	% change (2023-24 RE to 2024-25 BE)
Defence	5,73,098	5,93,538	6,23,889	6,21,541	-0.4%
Road Transport and Highways	2,17,089	2,70,435	2,76,351	2,78,000	0.6%
Railways	1,62,410	2,41,268	2,43,272	2,55,393	5.0%
Consumer Affairs, Food and Public Distribution	2,83,954	2,05,765	2,22,234	2,13,323	-4.0%
Home Affairs	1,86,839	1,96,035	2,00,035	2,02,869	1.4%
Rural Development	1,77,840	1,59,964	1,72,968	1,80,233	4.2%
Chemicals and Fertilisers	2,53,563	1,78,482	1,92,218	1,68,380	-12.4%

Communications	1,40,976	1,23,393	1,22,749	1,37,255	11.8%
Agriculture and Farmers' Welfare	1,08,277	1,25,036	1,26,666	1,27,470	0.6%
Education	97,196	1,12,899	1,29,718	1,20,628	-7.0%
Jal Shakti	71,618	97,278	96,550	98,419	1.9%
Health and Family Welfare	75,731	89,155	80,518	90,659	12.6%
Housing and Urban Affairs	77,310	76,432	69,271	77,524	11.9%
Other Ministries	17,67,256	20,33,419	19,34,049	21,94,075	13.4%
Total Expenditure	41,93,157	45,03,097	44,90,486	47,65,768	6.1%

▪ Notably -

- **Ministry of Communications:** Allocation is estimated to increase by 14,507 crores (11.8%) in 2024-25, over revised estimate of 2023-24. This is mainly on account of capital infusion into BSNL, which is estimated to be 82,916 crores in 2024-25 (28% higher than revised estimates of 2023-24).
- **Ministry of Defence:** Allocation is estimated to decrease by 2348 crores (0.4%) in 2024-25, over revised estimate of 2023-24. This is mainly on account of a decrease in the allocation towards cross Stores, which is 16,873 crores in 2024-25 (26% lower than revised estimates of 2023-24).

2. **Subsidies** - In 2024-25, total expenditure on subsidies is estimated to be 4,09,723 crores, a decrease of 7% from revised estimate of 2023-24.

	Actuals 2022-23	Budgeted 2023-24	Revised 2023-24	Budgeted 2024-25	% change (2023-24 RE to 2024-25 BE)
Food subsidy	2,72,802	1,97,350	2,12,332	2,05,250	-3.3%
Fertiliser subsidy	2,51,339	1,75,100	1,88,894	1,64,000	-13.2%
Interest subsidy	41,676	27,565	23,980	25,550	6.5%
LPG subsidy	6,817	2,257	12,240	11,925	-2.6%
Other subsidies	5,281	812	3,090	2,998	-3.0%
Total	5,77,916	4,03,084	4,40,536	4,09,723	-7.0%

3. Expenditure on **Major Schemes** (sorted on the basis of expenditure) -

	Actuals 2022- 23	Budgeted 2023-24	Revised 2023- 24	Budgeted 2024-25	% change (2023-24 RE to 2024-25 BE)
Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY)				205250	
MGNREGS	90,806	60,000	86,000	86,000	0.0%
Pradhan Mantri Awas Yojana	73,615	79,590	54,103	80,671	49.1%
Jal Jeevan Mission/National Rural Drinking Water Mission	54,700	70,000	70,000	70,163	0.2%
PM-KISAN	58,254	60,000	60,000	60,000	0.0%
National Health Mission	33,803	36,785	33,886	38,183	12.7%
National Education Mission	32,875	38,953	33,500	37,500	11.9%
Modified Interest Subvention Scheme	17,998	23,000	18,500	22,600	22.2%
Saksham Anganwadi and POSHAN 2.0	19,876	20,554	21,523	21,200	-1.5%

National Livelihood Mission-Ajeevika	12,083	14,129	14,652	15,047	2.7%
Pradhan Mantri Fasal Bima Yojana	10,296	13,625	15,000	14,600	-2.7%
Reform Linked Distribution Scheme	2,738	12,072	10,400	14,500	39.4%
PM POSHAN	12,681	11,600	10,000	12,467	24.7%
Swachh Bharat Mission	6,851	12,192	9,550	12,192	27.7%
Pradhan Mantri Gram Sadak Yojana	18,783	19,000	17,000	12,000	-29.4%
Pradhan Mantri Krishi Sinchai Yojana	6,380	10,787	8,781	11,391	29.7%

4. Expenditure on SC / ST sub-plans and schemes for welfare of women, children and North Eastern Region -

	Actuals 2022-23	Revised 2023-24	Budgeted 2024-25	% change (2023-24 RE to 2024-25 BE)
Welfare of Women	2,17,423	2,60,095	3,09,690	19.1%
Welfare of Children	86,510	93,221	1,09,493	17.5%
Scheduled Castes	133,008	146,861	165,598	12.8%
Scheduled Tribes	92,176	109,242	121,023	10.8%
North Eastern Region	-	91,785	96,858	5.5%

5. Fiscal Responsibility and Budget Management targets -

- Fiscal Responsibility and Budget Management (FRBM) Act 2003 requires central government to progressively reduce its outstanding debt, revenue deficit and fiscal deficit, and to give three year rolling targets for these. Note that the Medium-Term Fiscal Policy Statement has not provided rolling targets for budget deficits since 2021-22. In the Budget speech, the Finance Minister reiterated the government's aim to reduce fiscal deficit to below 4.5% of GDP by 2025-26.

▪ Deficits (as % of GDP) -

	Actuals 2022-23	Revised 2023-24	Budgeted 2024-25
Fiscal Deficit	6.4%	5.8%	5.1%
Revenue Deficit	3.9%	2.8%	2.0%
Primary Deficit	3.0%	2.3%	1.5%

6. Outstanding Liabilities -

- Centre's outstanding liabilities in 2024-25 are estimated to be 57% of the GDP. Outstanding liabilities had declined from 51% in 2013-14 to 48% in 2018-19. From 2019-20 onwards, outstanding liabilities have been increasing, and had reached a high of 61% in 2020-21, and have moderated thereafter..

7. Rupee Earned by Government -

- Borrowings & Other Liabilities - 28
- Income-Tax - 19
- Goods and Service Tax - 18
- Corporate Tax - 17
- Non-Tax Revenue - 7
- Union Excise Duties - 5
- Customs - 4
- Non-Debt Capital Receipts - 1

8. Rupee Spent By Government -

- States' share of taxes & duties - 20

2. Interest Payments - 20
3. Central Sector Scheme - 16
4. Finance Commission & Other Transfers - 9
5. Other Expenditure - 9
6. Centrally Sponsored Scheme - 8
7. Defence - 8
8. Subsidies - 6
9. Pension - 4

9. Tax Proposals in Finance Bill -

1. Direct and indirect tax rates have remained **unchanged**.
2. Current tax slabs are (Changes Introduced in last financial year FY24 (2023-24)) -

Tax Rate	Earlier Income Slab	New Income Slab
Nil	Up to Rs 2.5 lakh	Up to Rs 3 lakh
5%	Rs 2.5 lakh to Rs 5 lakh	Rs 3 lakh to Rs 6 lakh
10%	Rs 5 lakh to Rs 7.5 lakh	Rs 6 lakh to Rs 9 lakh
15%	Rs 7.5 lakh to Rs 10 lakh	Rs 9 lakh to Rs 12 lakh
20%	Rs 10 lakh to Rs 12.5 lakh	Rs 12 lakh to Rs 15 lakh
25%	Rs 12.5 lakh to Rs 15 lakh	-
30%	Above Rs 15 lakh	Above Rs 15 lakh

- Rebate limit of Personal Income Tax was increased to Rs. 7 lakh from the current Rs. 5 lakh in the new tax regime. Thus, persons in the new tax regime, with income up to Rs. 7 lakh to not pay any tax.
 - Number of tax slabs reduced from six to five.
 - Surcharge on income when it exceeds Rs 5 crore reduced from 37% to 25%.
3. Certain direct tax benefits to following entities have been extended until March 2025: (i) startups, (ii) sovereign wealth funds and pension funds, and (iii) some IFSC units. These benefits would have expired in March 2024.
 4. Withdrawal of outstanding direct tax demand, Expected to benefit approx 1 crore taxpayers -
 - Up to ₹25,000 pertaining up to FY10
 - Up to ₹10,000 for FY11-FY15

10. Policy Highlights -

1. Infrastructure -

- 3 major economic railway corridor programs will be implemented. These are: (i) energy, mineral and cement corridors, (ii) port connectivity corridors and (iii) high traffic density corridors.
- 40000 normal rail bogies will be upgraded to Vande Bharat standards, to ensure passenger safety and comfort.

2. Housing -

- Additional 2 crore houses will be built over 5 years, under Pradhan Mantri Awas Yojana-Grameen.
- A new scheme will be launched to help sections of the middle-class living in rented houses, slums, and unauthorised colonies, to buy or build their own houses.

3. Agriculture:

- Public and private investment will be promoted in post-harvest activities including aggregation, storage, supply chain, processing and marketing.
- Application of Nano DAP fertiliser will be expanded in all agro-climatic zones.
- A programme for supporting dairy farmers will be formulated.
- Atmanirbhar Oilseeds Abhiyaan-Strategy to be formulated to achieve atmanirbharta for oilseeds.

- PM Matsya Sampada Yojana will be expanded to : (i) enhance aquaculture productivity from three to five tonnes per hectare, (ii) double seafood exports to one lakh crore rupees, and (iii) generate 55 lakh employment opportunities.
- 5 Integrated Aquaparks to be set up.

4. Energy and Environment -

- Rooftop solarisation of 1 crore households will be taken up under a new scheme, to enable households to obtain up to 300 units of free electricity per month.
- To help achieve net-zero by 2070 -
 - Viability gap funding to be provided for harnessing offshore wind energy potential for initial capacity of one giga-watt.
 - Coal gasification and liquefaction capacity of 100 MT to be set up by 2030.
 - Phased mandatory blending of Compressed Bio Gas (CBG) in Compressed Natural Gas (CNG) for transport and Piped Natural Gas (PNG) for domestic purposes to be mandated.
- EV manufacturing and charging infrastructure will be strengthened and expand. Adoption of E-buses for public transport will be encouraged.
- For promoting climate resilient activities for *blue economy 2.0*, a scheme for restoration and adaptation measures, and coastal aquaculture and mariculture with integrated and multi-sectoral approach will be launched.
- A new scheme will be launched to provide environment friendly alternatives such as biodegradable polymers, bio-plastics and bio-pharmaceuticals.

5. Research and Development (R&D):

- A corpus of Rs.1 lakh crore to be established with fifty-year interest free loan to provide long-term financing or refinancing with long tenors and low or nil interest rates.
- A new scheme to be launched for strengthening deep-tech technologies for defence purposes and expediting '*atmanirbharta*'.
- A provision of Rs.75,000 crore rupees as fifty-year interest free loan is proposed to support milestone-linked reforms by the State Governments.

6. Health:

- Vaccination to prevent cervical cancer will be encouraged for girls between 9-14 years of age.
- A new platform, **U-WIN**, will be rolled out for managing immunisation across country.
- Healthcare cover under Ayushman Bharat scheme will be extended to all ASHA workers, Anganwadi workers and helpers.

7. Tourism -

- A framework for rating iconic tourist centres based on quality of facilities and services to be established.
- Long-term interest free loans to be provided to states for financing development of iconic tourist centres.

11. Other Notable Points from Interim Budget 2024-25 -

- A high-powered committee will be set up to address challenges arising out of fast population growth and demographic changes.
- Govt announced to lay a *White paper* on state of Indian economy, stating achievements in last 10 years of current govt.
- Target for *Lakshpati Didi* scheme to be enhanced from 2 crore to 3 crore.

